New York Department of Agriculture and Marketing

RP-85-250
Agdex #448.821 03

Swine Farm Business Summary

1984

FARROW TO FINISH

PREFACE

The 1984 Nova Scotia Swine Farm Business Summary is a synopsis of the business performance of thirty-two (32) Nova Scotia Swine Farms.

The farms used in this summary were not selected on a random sample basis. Instead, farmers volunteered their data for use in the summary. Since this is not a random sample selection of farms, care should be exercised in the use and interpretation of the results shown in the various tables of this summary.

Despite this limitation, farmers can compare their individual results with group average figures for farms with similar characteristics. Such comparison can provide the farm manager with useful information that can be used in management decisions. However, the best information is the farmers own records and comparison of these from one year to the next.

We gratefully acknowledge the co-operation of the thirty-two (32) swine producers who participated in this summary.

We further acknowledge the efforts of Fred Works for the computer program; Pamela Fraser who gathered and prepared the data for this summary; and Tracey Mitchell for the secretarial work.

AUGUST 1985

Rollie L. Hayman, P.Ag.
Supervisor, Farm Management

TABLE OF CONTENTS

	PAGE
SECTION A - INTRODUCTION	1
SECTION B - UNIT SIZE - 20-99 SOWS	3
SECTION C - UNIT SIZE - 100-199 SOWS	11
SECTION D - UNIT SIZE - 200+ SOWS	19
SECTION E - ANALYSIS OF ALL FARMS	27
SECTION F - SUMMARY	35

Section A

Introduction

INTRODUCTION

The Nova Scotia Swine Farm Business Summary is designed to provide bench-mark information that can be used to compare the financial strength and weakness of individual swine farms with similar characteristics. Farm Business Analysis is an important function of the farm manager-operator. When analysing the farm business, you must ask meaningful questions regarding the costs, incomes, efficiencies and capital investment found in your business. This summary is designed to assist you with those questions and to provide you with basic information for comparison purposes. By identifying the strengths of your business and building on these, you should be able to enhance the profit picture of your farm business. By identifying the weaknesses of your business and taking corrective action, the profit picture should also be improved.

Standards of performance and business progress are matters of personal choice and family goal setting. Each farm situation will have a different set of goals or objectives - a different set of values that you feel must be met through the farm business. It is for each of you to identify these and then compare your performance in achieving these objectives.

There are several ways that you can compare your farm performance. These include:

- You can compare your performance this year to that of last year. This perhaps is the best comparison. Have you progressed in reaching the goals you have set for your farm business.

- You can compare your performance with group average data for farms of similar size and general characteristics. This report may be useful in this regard.

- You can compare your performance to that found by research - realizing that the research data was obtained under a special set of conditions.

In 1984, there were a total of 180 swine producers in Nova Scotia. Basic data for this summary was prepared from thirty-two (32) of these farms from throughout the Province. These thirty-two (32) farms represent 17.8 percent of the total swine farms in the Province.

In terms of production, the farms included in this summary produced a total of 64,032 hogs. The total for the Province was 242,148 head. Hence, in production terms, farms in this summary comprise 26.4 percent of the total hog production in Nova Scotia in 1984.

The thirty-two (32) swine farms in this summary were classified into Three (3) groups according to herd size. These groups were (1) 20-99 Sows, (2) 100-199 Sows, and (3) 200 Plus Sows. Sections "B" through "E" provide income, expense and production information on the various groups.

Section B

20-99 SOWS

RECEIPTS

In this size group, receipts from the sale of hogs averaged 83.3 percent of Total Farm Receipts. Of this amount, market hog sales accounted for 94.8 percent, cull sows and boars 2.6 percent, breeding stock sales 0.4 percent, and weanling sales 2.2 percent.

Total Farm Receipts amounted to $174,193. on a per farm basis or $2,464. on a per sow basis.

TABLE B-1: RECEIPTS

ITEM	PER FARM	PER SOW
Market Hogs	$137,536.	$ 1,946.
Weanlings	3,184.	45.
Breeding Stock	546.	8.
Cull Sows	3,436.	49.
Cull Boars	281.	4.
Other Hogs	61.	1.
TOTAL HOG SALES	$145,044.	$ 2,052.
Stabilization	$ 9,344.	$ 132.
Subsidies	4,230.	60.
Other Income	15,575.	220.
TOTAL FARM RECEIPTS	$174,193.	$ 2,464.

EXPENSES

Purchased feed was the largest item of cost and accounted for 73.2 percent of Cash Expenses. In dollar terms, feed amounted to $1,652. on a per sow basis.

Feed was followed by non-hog expenses at 7.4 percent, hired labor at 3.5 percent, and interest on operating loans at 3.0 percent of Cash Expenses.

TABLE B-2: EXPENSES

ITEM	PER FARM	PER SOW
Feed Purchased	$116,742.	$ 1,652.
Swine Purchased	1,621.	23.
Hired Labor	5,665.	80.
Bedding	145.	2.
Vet & Drugs	1,088.	15.
Hog Supplies	1,039.	15.
Marketing Costs	2,804.	40.
Utilities	3,806.	54.
Taxes	867.	12.
Insurance	1,294.	18.
Building Repairs	2,440.	35.
Machinery & Equipment Expense	2,923.	41.
Auto Expenses	989.	14.
Interest - Operating	4,789.	68.
Miscellaneous	1,504.	21.
Other Non-Hog Expenses	11,822.	167.
TOTAL CASH EXPENSES	$159,539.	$ 2,257.

INCOME SUMMARY

Income is one of the key factors studied when analysing a farm business. In this table, two (2) measures of income are summarized.

NET CASH INCOME refers to the difference between Farm Receipts and Cash Expenses. In this size group, this income measure averaged $14,654. per farm or $207. on a per sow basis.

NET FARM INCOME is the difference between Farm Receipts and Cash Expenses with adjustments made for inventory increase, depreciation and interest on long term borrowings. For the farms included in this group, Net Farm Income was $-(300.) per farm or $-(4.) on a per sow basis.

TABLE B-3: INCOME SUMMARY

ITEM	PER FARM	PER SOW
Total Farm Receipts	$174,193.	$ 2,464.
Total Cash Expenses	159,539.	2,257.
NET CASH INCOME	$ 14,654.	$ 207.
Plus: Inventory Change	$ 2,757.	$ 39.
Less: Depreciation	9,559.	135.
Interest on Capital Loans	8,153.	115.
NET FARM INCOME	$ -(300.)	$ -(4.)

AVERAGE COST OF PORK PRODUCTION

The average cost of producing pork for the 20-99 sow group was $0.67 per pound live weight or $0.86 per pound dressed weight.

Note that this cost figure does not include a value for operator labor or interest on equity. Instead it is a measure of the cost at the Net Farm Income level. No amount has been added for what is traditionally called "Opportunity Costs".

TABLE B-4: AVERAGE COST OF PORK PRODUCTION

ITEM		PER FARM	PER SOW
Total Farm Expenses		$177,250.	$ 2,508.
Plus: Inventory Adjustment		-(2,757.)	-(39.)
Less: Cull Sales		3,716.	53.
Other Income		15,575.	220.
TOTAL COSTS		$155,202.	$ 2,196.
Total Pounds of Pork Produced (L.W.)	(lbs)	232,411	3,288
Ave. Cost of Production (L.W.)	($)	0.67	0.67
Ave. Cost of Production (D.W.)	($)	0.86	0.86

COST ANALYSIS

Feed purchased was the largest single item associated with producing pork. This item averaged 65.9 percent of Total Costs in this group. Feed purchased was followed by other non-hog expenses at 6.7 percent, depreciation at 5.4 percent, interest on capital loans at 4.6 percent and hired labor at 3.2 percent.

TABLE B-5: COST ANALYSIS

ITEM	PERCENT OF TOTAL
Feed Purchased	65.9 %
Swine Purchased	0.9
Hired Labor	3.2
Bedding	0.1
Vet & Drugs	0.6
Hog Supplies	0.6
Marketing Costs	1.6
Utilities	2.1
Taxes	0.5
Insurance	0.7
Building Repairs	1.4
Machinery & Equipment Expense	1.6
Auto Expenses	0.6
Interest - Operating	2.7
Miscellaneous	0.8
Other Non-Hog Expenses	6.7
Interest - Loans	4.6
Depreciation	5.4
TOTAL	100.0 %

PRODUCTION ANALYSIS

For this size group, the average number of sows per farm was 71, each averaging 2.07 litters of pigs per year.

There was an average of 21.44 pigs born per sow, with 18.22 of these being weaned. Suckling mortality averaged 14.49 percent.

Sales of market hogs accounted for 92.4 percent of hog sales. Feeder hog mortality averaged 3.74 percent for these farms.

TABLE B-6: PRODUCTION ANALYSIS

ITEM	PER FARM	PER SOW
Number of Sows	71	1.00
Number of Boars	4	0.06
Number of Litters	146	2.07
Pigs Born	1,515	21.44
Pigs Born Alive	1,434	20.28
Pigs Weaned	1,288	18.22
Pigs Born per Litter	10.35	-
Pigs Born Alive per Litter	9.80	-
Pigs Weaned per Litter	8.80	-
Suckling Mortality (#)	220	3.11
Suckling Mortality (%)	14.49	-
Weanlings Sold	66	0.93
Breeding Stock Sold	3	0.04
Gilts Kept for Replacement	21	0.29
Market Hogs Sold	1,097	15.52
Other Hogs Sold	-	0.01
Inventory Change $\pm$	12	0.17
Purchases	6	0.09
Total Market Hog Equivalents Produced	1,090	15.43
Total Hogs Sold	1,187	16.79
Feeder Hog Mortality (#)	48	0.68
Feeder Hog Mortality (%)	3.74	-
Inventory Adjustment $\pm$	48	0.68

PRODUCTION ANALYSIS

Further analysis of the production coefficients indicated that market hogs were sold at an average dressed weight of 166 pounds.

Sow culling rates averaged 31.90 percent in this group, and for each man equivalent of labor available 41 sows were maintained.

TABLE B-7: PRODUCTION ANALYSIS

ITEM		PER FARM
Ave. Weight per Market Hog (D.W.)	(lbs)	166
Ave. Return per Market Hog	($)	125.38
Sow Mortality	(%)	4.24
Cull Rate on Sows	(%)	31.90
Labor Man Equivalents	(#)	1.74
Sows Kept per Man	(#)	41
Total Sales per Man	($)	101,431
Live Hog Produced per Man	(kgs)	60,555

FEED ANALYSIS

For the farms in this group, feed consumption per hog averaged 3.52 kilograms of creep (pre-starter), 40.34 kilograms of starter, 250.52 kilograms of grower, and 77.41 kilograms of sow-boar feed, for a total consumption of 371.80 kilograms of feed. This gives a feed conversion of 3.00 pounds of feed for each pound of gain.

Total cost of feed per hog was $105.88, and the feed per sow and boar was 1,128 kilograms.

TABLE B-8: FEED ANALYSIS

ITEM		PER FARM
Creep per Hog	(kgs)	3.52
Cost Creep/Hog	($)	1.92
Starter per Hog	(kgs)	40.34
Cost Starter/Hog	($)	14.23
Grower per Hog	(kgs)	250.52
Cost Grower/Hog	($)	70.49
Sow-Boar Feed per Hog	(kgs)	77.41
Cost Sow-Boar Feed/Hog	($)	19.23
Total Feed per Hog	(kgs)	371.80
Total Cost Feed/Hog	($)	105.88
Ave. L.W. Hog Produced	(kgs)	96.88
Feed Conversion - Starter & Grower		3.00
Feed Cost/Kg. L.W. Hog	($)	1.09
Feed Cost/100 Lbs. L.W. Hog Produced	($)	49.68
Feed Cost/100 Lbs. D.W. Hog Produced	($)	63.69
Creep Cost/Tonne	($)	546.24
Starter Cost/Tonne	($)	352.75
Grower Cost/Tonne	($)	281.38
Sow Ration Cost/Tonne	($)	248.45
Feed per Sow and Boar	(kgs)	1,128

Section C

100-199 SOWS

RECEIPTS

In this size group, receipts from the sale of hogs averaged 81.7 percent of Total Farm Receipts. Of this amount, market hog sales accounted for 88.2 percent, cull sows and boars 3.3 percent, breeding stock sales 2.7 percent, weanling sales 5.0 percent and hog hogs 0.8 percent.

Total Farm Receipts amounted to $304,478. on a per farm basis, or $2,355. on a per sow basis.

TABLE C-1: RECEIPTS

ITEM	PER FARM	PER SOW
Market Hogs	$219,584.	$ 1,699.
Weanlings	12,503.	97.
Gilts - Breeding Stock	4,799.	37.
Boars - Breeding Stock	1,976.	15.
Cull Sows	7,513.	58.
Cull Boars	590.	5.
Other Hogs	1,915.	15.
TOTAL HOG SALES	$248,881.	$ 1,925.
Stabilization	$ 13,342.	$ 103.
Subsidies	5,844.	45.
Other Income	36,411.	282.
TOTAL FARM RECEIPTS	$304,478.	$ 2,355.

EXPENSES

Purchased feed was the largest item of cost and accounted for 66.8 percent of Cash Expenses. In dollar terms, feed amounted to $1,438. on a per sow basis.

Feed was followed by other non-hog expenses at 9.2 percent, hired labor at 6.1 percent, interest on operating and utilities both at 3.0 percent, and machinery and equipment expense at 1.8 percent of Cash Expenses.

TABLE C-2: EXPENSES

ITEM	PER FARM	PER SOW
Feed Purchased	$185,954.	$ 1,438.
Swine Purchased	4,252.	33.
Hired Labor	17,119.	132.
Bedding	76.	1.
Vet & Drugs	2,546.	20.
Hog Supplies	1,470.	11.
Marketing Costs	2,926.	23.
Utilities	8,271.	64.
Taxes	1,380.	11.
Insurance	3,191.	25.
Building Repairs	4,924.	38.
Machinery & Equipment Expense	5,149.	40.
Auto Expenses	3,008.	23.
Interest - Operating	8,410.	65.
Miscellaneous	3,983.	31.
Other Non-Hog Expenses	25,529.	197.
TOTAL CASH EXPENSES	$278,189.	$ 2,152.

INCOME SUMMARY

Income is one of the key factors studied when analysing a farm business. In this table, two (2) measures of income are summarized.

NET CASH INCOME refers to the difference between Farm Receipts and Cash Expenses. In this size group, this income measure averaged $26,289. per farm or $203. on a per sow basis.

NET FARM INCOME is the difference between Farm Receipts and Cash Expenses with adjustments made for inventory increase, depreciation and interest on long term borrowings. For the farms included in this group, Net Farm Income was $-(111.) per farm or $-(1.) on a per sow basis.

TABLE C-3: INCOME SUMMARY

ITEM	PER FARM	PER SOW
Total Farm Receipts	$304,478.	$ 2,355.
Total Cash Expenses	278,189.	2,152.
NET CASH INCOME	$ 26,289.	$ 203.
Plus: Inventory Change	$ 12,482.	$ 97.
Less: Depreciation	22,198.	172.
Interest on Capital Loans	16,683.	129.
NET FARM INCOME	$ -(111.)	$ -(1.)

AVERAGE COST OF PORK PRODUCTION

The average cost of producing pork for the 100-199 sow group was $0.64 per pound live weight or $0.82 per pound dressed weight.

Note that this cost figure does not include a value for operator labor or interest on equity. Instead it is a measure of the cost at the Net Farm Income level. No amount has been added for what is traditionally called "Opportunity Costs".

TABLE C-4: AVERAGE COST OF PORK PRODUCTION

ITEM		PER FARM	PER SOW
Total Farm Expenses		$317,071.	$ 2,453.
Plus: Inventory Adjustment		-(12,482.)	-(97.)
Less: Cull Sales		8,104.	63.
Other Income		36,411.	282.
TOTAL COSTS		$260,074.	$ 2,012.
Total Pounds of Pork Produced (L.W.)	(lbs)	406,261	3,143
Ave. Cost of Production (L.W.)	($)	0.64	0.64
Ave. Cost of Production (D.W.)	($)	0.82	0.82

COST ANALYSIS

Feed purchased was the largest single item associated with producing pork. This item averaged 58.6 percent of Total Costs in this group. Feed purchased was followed by other non-hog expenses at 8.1 percent, depreciation at 7.0 percent, hired labor at 5.4 percent and interest on capital loans at 5.3 percent.

TABLE C-5: COST ANALYSIS

ITEM	PERCENT OF TOTAL
Feed Purchased	58.6 %
Swine Purchased	1.3
Hired Labor	5.4
Bedding	-
Vet & Drugs	0.8
Hog Supplies	0.5
Marketing Costs	0.9
Utilities	2.6
Taxes	0.4
Insurance	1.0
Building Repairs	1.6
Machinery & Equipment Expense	1.6
Auto Expenses	0.9
Interest - Operating	2.7
Miscellaneous	1.3
Other Non-Hog Expenses	8.1
Interest - Loans	5.3
Depreciation	7.0
TOTAL	100.0 %

PRODUCTION ANALYSIS

For this size group, the average number of sows per farm was 129, each averaging 2.04 litters of pigs per year.

There was an average of 21.31 pigs born per sow, with 18.05 of these being weaned. Suckling mortality averaged 16.4 percent.

Sales of market hogs accounted for 84.3 percent of hog sales. Feeder hog mortality averaged 3.09 percent for these farms.

TABLE C-6: PRODUCTION ANALYSIS

ITEM	PER FARM	PER SOW
Number of Sows	129	1.00
Number of Boars	8	0.06
Number of Litters	264	2.04
Pigs Born	2,755	21.31
Pigs Born Alive	2,646	20.47
Pigs Weaned	2,333	18.05
Pigs Born per Litter	10.45	-
Pigs Born Alive per Litter	10.04	-
Pigs Weaned per Litter	8.85	-
Suckling Mortality (#)	452	3.50
Suckling Mortality (%)	16.40	-
Weanlings Sold	243	1.88
Breeding Stock Sold	27	0.21
Gilts Kept for Replacement	48	0.37
Market Hogs Sold	1,782	13.78
Other Hogs Sold	13	0.10
Inventory Change	142	1.10
Purchases	42	0.32
Total Market Hog Equivalents Produced	1,904	14.73
Total Hogs Sold	2,113	16.34
Feeder Hog Mortality (#)	68	0.52
Feeder Hog Mortality (%)	3.09	-
Inventory Adjustment (±)	51	0.40

PRODUCTION ANALYSIS

Further analysis of the production coefficients indicated that market hogs were sold at an average dressed weight of 166 pounds.

Sow culling rates averaged 36.06 percent in this group, and for each man equivalent of labor available, 44 sows were maintained.

TABLE C-7: PRODUCTION ANALYSIS

ITEM		PER FARM
Ave. Weight per Market Hog (D.W.)	(lbs)	166
Ave. Return per Market Hog	($)	123.26
Sow Mortality	(%)	5.71
Cull Rate on Sows	(%)	36.06
Labor Man Equivalents	(#)	2.91
Sows Kept per Man	(#)	44
Total Sales per Man	($)	108,979
Live Hog Produced per Man	(kgs)	63,492

FEED ANALYSIS

For the farms in this group, feed consumption per hog averaged 3.03 kilograms of creep (pre-starter), 41.76 kilograms of starter, 232.80 kilograms of grower and 72.32 kilograms of sow-boar feed, for a total consumption of 349.92 kilograms of feed. This gives a feed conversion of 2.83 pounds of feed for each pound of gain.

Total cost of feed per hog was $97.76, and the feed per sow and boar was 997 kilograms.

TABLE C-8: FEED ANALYSIS

ITEM		PER FARM
Creep per Hog	(kgs)	3.03
Cost Creep/Hog	($)	1.73
Starter per Hog	(kgs)	41.76
Cost Starter/Hog	($)	14.74
Grower per Hog	(kgs)	232.80
Cost Grower/Hog	($)	61.80
Sow-Boar Feed per Hog	(kgs)	72.32
Cost Sow-Boar Feed/Hog	($)	19.49
Total Feed per Hog	(kgs)	349.92
Total Cost Feed/Hog	($)	97.76
Ave. L.W. Hog Produced	(kgs)	97.00
Feed Conversion - Starter & Grower		2.83
Feed Cost/Kg. L.W. Hog	($)	1.01
Feed Cost/100 Lbs. L.W. Hog Produced	($)	45.81
Feed Cost/100 Lbs. D.W. Hog Produced	($)	58.73
Creep Cost/Tonne	($)	571.15
Starter Cost/Tonne	($)	353.00
Grower Cost/Tonne	($)	265.46
Sow Ration Cost/Tonne	($)	269.50
Feed per Sow & Boar	(kgs)	997

Section D

200 + SOWS

RECEIPTS

In this size group, receipts from the sale of hogs averaged 92.3 percent of Total Farm Receipts. Of this amount, market hog sales accounted for 86.8 percent, weanling sales 6.1 percent, breeding stock sales 3.8 percent, and cull sows and boars 3.3 percent.

Total Farm Receipts amounted to $531,290. on a per farm basis or $1,978. on a per sow basis.

TABLE D-1: RECEIPTS

ITEM	PER FARM	PER SOW
Market Hogs	$461,243.	$ 1,717.
Weanlings	32,219.	120.
Gilts - Breeding Stock	7,884.	29.
Boars - Breeding Stock	12,127.	45.
Cull Sows	16,656.	62.
Cull Boars	885.	3.
Other Hogs	276.	1.
TOTAL HOG SALES	$531,290.	$ 1,978.
Stabilization	$ 22,693.	$ 85.
Subsidies	6,522.	24.
Other Income	14,890.	55.
TOTAL FARM RECEIPTS	$575,665.	$ 2,143.

EXPENSES

Purchased feed was the largest item of cost and accounted for 72.4 percent of Cash Expenses. In dollar terms, feed amounted to $1,387. on a per sow basis.

Feed was followed by hired labor at 12.8 percent, utilities at 3.2 percent, machinery and equipment expense at 1.9 percent, and building repairs at 1.5 percent of Cash Expenses.

TABLE D-2: EXPENSES

ITEM	PER FARM	PER SOW
Feed Purchased	$372,568.	$ 1,387.
Swine Purchased	4,099.	15.
Hired Labor	65,974.	246.
Bedding	458.	2.
Vet & Drugs	6,353.	24.
Hog Supplies	1,711.	6.
Marketing Costs	6,874.	26.
Utilities	16,675.	62.
Taxes	2,482.	9.
Insurance	4,794.	18.
Building Repairs	7,645.	28.
Machinery & Equipment Expense	10,000.	37.
Auto Expenses	1,987.	7.
Interest - Operating	4,562.	17.
Miscellaneous	5,225.	19.
Other Non-Hog Expenses	3,389.	13.
TOTAL CASH EXPENSES	$514,795.	$ 1,916.

INCOME SUMMARY

Income is one of the key facturs studied when analysing a farm business. In this table, two (2) measures of income are summarized.

NET CASH INCOME refers to the difference between Farm Receipts and Cash Expenses. In this size group, this income measure averaged $60,870. per farm or $227. on a per sow basis.

NET FARM INCOME is the difference between Farm Receipts and Cash Expenses with adjustments made for inventory increase, depreciation and interest on long term borrowings. For the farms included in this group, Net Farm Income was $21,932. per farm or $82. on a per sow basis.

TABLE D-3: INCOME SUMMARY

ITEM	PER FARM	PER SOW
Total Farm Receipts	$575,665.	$ 2,143.
Total Cash Expenses	514,795.	1,916.
NET CASH INCOME	$ 60,870.	$ 227.
Plus: Inventory Change	$ 12,206.	$ 45.
Less: Depreciation	29,598.	110.
Interest on Capital Loans	21,547.	80.
NET FARM INCOME	$ 21,932.	$ 82.

AVERAGE COST OF PORK PRODUCTION

The average cost of producing pork for the 200 plus sow group was $0.63 per pound live weight or $0.81 per pound dressed weight.

Note that this cost figure does not include a value for operator labor or interest on equity. Instead it is a measure of the cost at the Net Farm Income level. No amount has been added for what is traditionally called "Opportunity Costs".

TABLE D-4: AVERAGE COST OF PORK PRODUCTION

ITEM		PER FARM	PER SOW
Total Farm Expenses		$565,940.	$ 2,107.
Plus: Inventory Adjustment		-(12,206.)	-(45.)
Less: Cull Sales		17,541.	65.
Other Income		14,890.	55.
TOTAL COSTS		$521,303.	$ 1,941.
Total Pounds of Pork Produced (L.W.)	(lbs)	821,096	3,057
Ave. Cost of Production (L.W.)	($)	0.63	0.63
Ave. Cost of Production (D.W.)	($)	0.81	0.81

COST ANALYSIS

Feed purchased was the largest single item associated with producing pork. This item averaged 65.8 percent of Total Costs in this group. Feed purchased was followed by hired labor at 11.7 percent, depreciation at 5.2 percent, interest on capital loans at 3.8 percent and utilities at 2.9 percent.

TABLE D-5: COST ANALYSIS

ITEM	PERCENT OF TOTAL
Feed Purchased	65.8 %
Swine Purchased	0.7
Hired Labor	11.7
Bedding	0.1
Vet & Drugs	1.1
Hog Supplies	0.3
Marketing Costs	1.2
Utilities	2.9
Taxes	0.4
Insurance	0.8
Building Repairs	1.4
Machinery & Equipment Expense	1.8
Auto Expenses	0.4
Interest - Operating	0.8
Miscellaneous	0.9
Other Non-Hog Expenses	0.6
Interest - Loans	3.8
Depreciation	5.2
TOTAL	100.0 %

PRODUCTION ANALYSIS

For this size group, the average number of sows per farm was 269, each averaging 2.08 litters of pigs per year.

There was an average of 22.46 pigs born per sow, with 18.22 of these being weaned. Suckling mortality averaged 18.91 percent.

Sales of market hogs accounted for 78.6 percent of hogs sales. Feeder hog mortality averaged 2.44 percent for these farms.

TABLE D-6: PRODUCTION ANALYSIS

ITEM	PER FARM	PER SOW
Number of Sows	269	1.00
Number of Boars	16	0.06
Number of Litters	560	2.08
Pigs Born	6,033	22.46
Pigs Born Alive	5,640	20.99
Pigs Weaned	4,895	18.22
Pigs Born per Litter	10.78	-
Pigs Born Alive per Litter	10.08	-
Pigs Weaned per Litter	8.75	-
Suckling Mortality (#)	1,141	4.25
Suckling Mortality (%)	18.91	-
Weanlings Sold	768	2.86
Breeding Stock Sold	75	0.28
Gilts Kept for Replacement	134	0.50
Market Hogs Sold	3,599	13.40
Other Hogs Sold	2	0.01
Inventory Change (±)	184	0.68
Purchases	-	-
Total Market Hog Equivalents Produced	3,807	14.17
Total Hogs Sold	4,578	17.05
Feeder Hog Mortality (#)	115	0.43
Feeder Hog Mortality (%)	2.44	-
Inventory Adjustment (±)	18	0.07

PRODUCTION ANALYSIS

Further analysis of the production coefficients indicated that market hogs were sold at an average dressed weight of 168 pounds.

Sow culling rates averaged 38.53 percent in this group, and for each man equivalent of labor available, 55 sows were maintained.

TABLE D-7: PRODUCTION ANALYSIS

ITEM		PER FARM
Ave. Weight per Market Hog (D.W.)	(lbs)	168
Ave. Return per Market Hog	($)	128.15
Sow Mortality	(%)	4.14
Cull Rate on Sows	(%)	38.53
Labor Man Equivalents	(#)	4.90
Sows Kept per Man	(#)	55
Total Sales per Man	($)	119,882
Live Hog Produced per Man	(kgs)	76,110

FEED ANALYSIS

For the farms in this group, feed consumption per hog averaged 3.31 kilograms of creep (pre-starter), 46.09 kilograms of starter, 242.39 kilograms of grower, and 78.33 kilograms of sow-boar feed for a total consumption of 370.12 kilograms of feed. This gives a feed conversion of 2.94 pounds of feed for each pound of gain.

Total cost of feed per hog was $97.33, and the feed per sow and boar was 1,047 kilograms.

TABLE D-8: FEED ANALYSIS

ITEM		PER FARM
Creep per Hog	(kgs)	3.31
Cost Creep/Hog	($)	1.66
Starter per Hog	(kgs)	46.09
Cost Starter/Hog	($)	14.60
Grower per Hog	(kgs)	242.39
Cost Grower/Hog	($)	59.94
Sow-Boar Feed per Hog	(kgs)	78.33
Cost Sow-Boar Feed/Hog	($)	21.12
Total Feed per Hog	(kgs)	370.12
Total Cost Feed/Hog	($)	97.33
Ave. L.W. Hog Produced	(kgs)	98.03
Feed Conversion - Starter & Grower		2.94
Feed Cost/Kg. L.W. Hog	($)	0.99
Feed Cost/100 Lbs. L.W. Hog Produced	($)	45.13
Feed Cost/100 Lbs. D.W. Hog Produced	($)	57.85
Creep Cost/Tonne	($)	502.32
Starter Cost/Tonne	($)	316.87
Grower Cost/Tonne	($)	247.30
Sow Ration Cost/Tonne	($)	269.64
Feed per Sow & Boar	(kgs)	1,047

Section E

ALL FARMS

RECEIPTS

In this size group, receipts from the sale of hogs averaged 86.6 percent of Total Farm Receipts. Of this amount, market hog sales accounted for 88.7 percent, weanling sales 5.0 percent, cull sows and boars 3.2 percent, breeding stock sales 2.8 percent, and other hogs 0.3 percent.

Total Farm Receipts amounted to $327,489. on a per farm basis, or $2,275. on a per sow basis.

TABLE E-1: RECEIPTS

ITEM	PER FARM	PER SOW
Market Hogs	$251,795.	$ 1,749.
Weanlings	14,229.	99.
Gilts - Breeding Stock	4,108.	29.
Boars - Breeding Stock	3,834.	27.
Cull Sows	8,397.	58.
Cull Boars	558.	4.
Other Hogs	868.	6.
TOTAL HOG SALES	$283,789.	$ 1,971.
Stabilization	$ 14,373.	$ 100.
Subsidies	5,459.	38.
Other Income	23,868.	166.
TOTAL FARM RECEIPTS	$327,489.	$ 2,275.

EXPENSES

Purchased feed was the largest item of cost and accounted for 70.4 percent of Cash Expenses. In dollar terms, feed amounted to $1,450. on a per sow basis.

Feed was followed by hired labor at 8.6 percent, other non-hog expenses at 5.1 percent, utilities at 3.0 percent, and interest on operating loans at 2.1 percent of Cash Expenses.

TABLE E-2: EXPENSES

ITEM	PER FARM	PER SOW
Feed Purchased	$208,816.	$ 1,450.
Swine Purchased	3,309.	23.
Hired Labor	25,395.	176.
Bedding	195.	1.
Vet & Drugs	2,997.	21.
Hog Supplies	1,382.	10.
Marketing Costs	3,871.	27.
Utilities	8,837.	61.
Taxes	1,479.	10.
Insurance	2,940.	20.
Building Repairs	4,750.	33.
Machinery & Equipment Expense	5,596.	39.
Auto Expenses	2,059.	14.
Interest - Operating	6,203.	43.
Miscellaneous	3,442.	24.
Other Non-Hog Expenses	15,282.	106.
TOTAL CASH EXPENSES	$296,554.	$ 2,060.

INCOME SUMMARY

Income is one of the key factors studied when analysing a farm business. In this table, two (2) measures of income are summarized.

NET CASH INCOME refers to the difference between Farm Receipts and Cash Expenses. In this size group, this income measure averaged $30,935. per farm or $215. on a per sow basis.

NET FARM INCOME is the difference between Farm Receipts and Cash Expenses with adjustments made for inventory increase, depreciation and interest on long term borrowings. For the farms included in this group, Net Farm Income was $5,335. per farm or $37. on a per sow basis.

TABLE E-3: INCOME SUMMARY

ITEM	PER FARM	PER SOW
Total Farm Receipts	$327,489.	$ 2,275.
Total Cash Expenses	296,554.	2,060.
NET CASH INCOME	$ 30,935.	$ 215.
Plus: Inventory Change	$ 9,070.	$ 63.
Less: Depreciation	19,704.	137.
Interest on Capital Loans	14,967.	104.
NET FARM INCOME	$ 5,335.	$ 37.

AVERAGE COST OF PORK PRODUCTION

For the farms in this study, the average cost of producing pork was $0.64 per pound live weight or $0.82 per pound dressed weight.

Note that this cost figure does not include a value for operator labor or interest on equity. Instead it is a measure of the cost at the Net Farm Income level. No amount has been added for what is traditionally called "Opportunity Costs".

TABLE E-4: AVERAGE COST OF PORK PRODUCTION

ITEM		PER FARM	PER SOW
Total Farm Expenses		$331,225.	$ 2,301.
Plus: Inventory Adjustment		-(9,070.)	-(63.)
Less: Cull Sales		8,955.	62.
Other Income		23,868.	166.
TOTAL COSTS		$289,332.	$ 2,010.
Total Pounds of Pork Produced (L.W.)	(lbs)	450,209	3,127
Ave. Cost of Production (L.W.)	($)	0.64	0.64
Ave. Cost of Production (D.W.)	($)	0.82	0.82

COST ANALYSIS

Feed purchased was the largest single item associated with producing pork. This item averaged 63.0 percent of Total Costs for all farms. Feed purchased was followed by hired labor at 7.7 percent, depreciation at 5.9 percent, other non-hog expenses at 4.6 percent, and interest on capital loans at 4.5 percent.

TABLE E-5: COST ANALYSIS

ITEM	PERCENT OF TOTAL
Feed Purchased	63.0 %
Swine Purchased	1.0
Hired Labor	7.7
Bedding	0.1
Vet & Drugs	0.9
Hog Supplies	0.4
Marketing Costs	1.2
Utilities	2.7
Taxes	0.4
Insurance	0.9
Building Repairs	1.4
Machinery & Equipment Expense	1.7
Auto Expenses	0.6
Interest - Operating	1.9
Miscellaneous	1.0
Other Non-Hog Expenses	4.6
Interest - Loans	4.5
Depreciation	5.9
TOTAL	100.0 %

PRODUCTION ANALYSIS

For the farms in this study, the average number of sows per farm was 144, each averaging 2.07 litters of pigs per year.

There was an average of 21.87 pigs born per sow, with 18.16 of these being weaned. Suckling mortality averaged 17.29 percent.

Sales of market hogs accounted for 83.0 percent of hog sales. Feeder hog mortality averaged 2.90 percent for these farms.

TABLE E-6: PRODUCTION ANALYSIS

ITEM	PER FARM	PER SOW
Number of Sows	144	1.00
Number of Boars	9	0.06
Number of Litters	297	2.07
Pigs Born	3,148	21.87
Pigs Born Alive	2,978	20.68
Pigs Weaned	2,614	18.16
Pigs Born per Litter	10.59	-
Pigs Born Alive per Litter	10.01	-
Pigs Weaned per Litter	8.79	-
Suckling Mortality (#)	544	3.78
Suckling Mortality (%)	17.29	-
Weanlings Sold	313	2.18
Breeding Stock Sold	31	0.21
Gilts Kept for Replacement	60	0.42
Market Hogs Sold	2,001	13.90
Other Hogs Sold	6	0.04
Inventory Change (±)	108	0.75
Purchases	19	0.13
Total Market Hog Equivalents Produced	2,100	14.59
Total Hogs Sold	2,411	16.75
Feeder Hog Mortality (#)	73	0.50
Feeder Hog Mortality (%)	2.90	-
Inventory Adjustment (±)	42	0.29

PRODUCTION ANALYSIS

Further analysis of the production coefficients indicated that market hogs were sold at an average dressed weight of 167 pounds.

Sow culling rates averaged 36.51 percent in this group, and for each man equivalent of labor available, 48 sows were maintained.

TABLE E-7: PRODUCTION ANALYSIS

ITEM		PER FARM
Ave. Weight per Market Hog (D.W.)	(lbs)	167
Ave. Return per Market Hog	($)	125.86
Sow Mortality	(%)	4.73
Cull Rate on Sows	(%)	36.51
Labor Man Equivalents	(#)	3.01
Sows Kept per Man	(#)	48
Total Sales per Man	($)	111,918
Live Hog Produced per Man	(kgs)	68,050

FEED ANALYSIS

For the farms in this study, feed consumption per hog averaged 3.25 kilograms of creep (pre-starter), 43.47 kilograms of starter, 240.30 kilograms of grower and 75.95 kilograms of sow-boar feed, for a total consumption of 362.96 kilograms of feed. This gives a feed conversion of 2.91 pounds of feed for each pound of gain.

Total cost of feed per hog was $99.01, and the feed per sow and boar was 1,043 kilograms.

TABLE E-8: FEED ANALYSIS

ITEM		PER FARM
Creep per Hog	(kgs)	3.25
Cost Creep/Hog	($)	1.73
Starter per Hog	(kgs)	43.47
Cost Starter/Hog	($)	14.59
Grower per Hog	(kgs)	240.30
Cost Grower/Hog	($)	62.51
Sow-Boar Feed per Hog	(kgs)	75.95
Cost Sow-Boar Feed/Hog	($)	20.18
Total Feed per Hog	(kgs)	362.96
Total Cost Feed/Hog	($)	99.01
Ave. L.W. Hog Produced	(kgs)	97.44
Feed Conversion - Starter & Grower		2.91
Feed Cost/Kg. L.W. Hog	($)	1.02
Feed Cost/100 Lbs. L.W. Hog Produced	($)	46.18
Feed Cost/100 Lbs. D.W. Hog Produced	($)	59.21
Creep Cost/Tonne	($)	533.63
Starter Cost/Tonne	($)	335.59
Grower Cost/Tonne	($)	260.12
Sow Ration Cost/Tonne	($)	265.73
Feed per Sow & Boar	(kgs)	1,043

Section F

Summary

SUMMARY

The 1984 Nova Scotia Swine Farm Business Summary provides basic information and statistics on the costs and returns associated with the swine enterprise on Nova Scotia farms. While not based on a statistically sound random sample of swine farms, the summary can be used with care to assist in the analysis of the swine enterprise by providing group average data for comparison purposes.

In reviewing the information contained in previous pages, the following points can be noted:

- Average farm size measured in terms of sow numbers was 144 sows.
- Average litters per sow per year was 2.07.
- Average pigs weaned per sow per year was 18.16.
- Average sales of hogs per sow per year was 16.75.
- Average market hog dressed weight was 167 pounds.
- Average feed consumption (starter and grower) per market hog was 283.77 kilograms, for a feed conversion of 2.91.

In compiling the data for this summary, extreme variation among farms was noted. This variation was observed in most factors of returns, costs and management factors. Below, we outline a number of the variations observed:

- Net Farm Income had a range of $1,190. per sow between the highest and lowest net incomes on a per sow basis.
- Total feed cost per sow had a range of $1,347.00.
- Feed cost as a percent of total costs varied between 33.2 percent and 77.4 percent.
- Kilograms of feed fed per hog raised varied as much as 127.89 kilograms.

- Pigs weaned per sow varied as much as 7.82 pigs per year.
- Sows kept per man equivalent had a range of 59 sows between the highest and lowest numbers of sows per man.

With such wide variation in many of the returns, costs and management factors, it is difficult to isolate specific characteristics that result in a profitable swine unit. It would appear, however, that a number of the key factors of production outlined above such as production, cost control, efficient use of capital and labor, are of significant inportance in determining the success of the farm unit.

Those farm operators who successfully combined these factors of production in the management and operation of their farm units achieved a reasonable return to their labor, capital and management skills.